

## **REMARKS**

### **I. Section 102 Rejections**

Claims 13-19, 21-24, 27-31, 36-38, and 40 were rejected under 35 U.S.C. § 102(e) as being anticipated by published U.S. patent application 2004/0133494 to Jones et al. ("Jones"). Applicants traverse the rejections as follows.

#### **A. Claims 13-19, 21-24, 27-31 and 38**

In independent claim 13, the issued unit comprises (1) a forward contract and (2) a remarketable security. The claim states that at the remarketing time, the remarketable security is offered with a remarketing denomination that is different from its issue denomination. Enhancing the remarketable security in such a manner may make the remarketable security more attractive to targeted investors.

Jones does not anticipate claim 13 for at least two reasons: (1) Jones does not qualify as prior art; and (2) even if Jones did qualify as prior art, Jones does not disclose a unit where the remarketable security has a different denomination at remarketing. These points are addressed below.

First, Jones does not qualify as prior art to the present application. The filing date for the published Jones application (Pub. No. 2004/0133494) is December 17, 2003, which is *after* the filing date for the present application (i.e., October 2, 2003). While Jones claims priority to two provisional applications that were filed before the effective filing date for the present application, those two provisional applications do not qualify as prior art because they do not disclose a unit where the remarketable security has a different denomination at remarketing. *See* MPEP 2163.03 ("The 35 U.S.C. 102(e) critical reference date of a U.S. patent or U.S. application publications ... entitled to the benefit of the filing date of a provisional application under 35 U.S.C. 119(e) is the filing date of the provisional application with certain exceptions if the

provisional application(s) properly supports the subject matter relied upon to make the rejection in compliance with 35 U.S.C. 112, first paragraph.”) (emphasis added).

The two Jones provisional applications are (1) Serial. No. 60/493,187, filed August 7, 2003 and (2) Serial No. 60/493,558, filed August 8, 2003. Neither of these provisional applications disclose a unit where the remarkable security has a different denomination at remarketing. Therefore, neither Jones provisional application supports the subject matter relied upon to make the rejection. Therefore, Jones does not qualify as prior art under 35 U.S.C. § 102(e). Therefore, the rejection should be withdrawn.

Second, even if Jones qualifies prior art, it does not anticipate claim 13 because it does not disclose a unit where the remarkable security has a different denomination at remarketing. The Office Action cites paragraphs [0004] – [0006] and [0026] of Jones, without any explanation or analysis, as disclosing the elements of claim 13. *See* Office Action at ¶ 7, p. 3. A review of these paragraphs, however, reveals that they do not disclose a unit where the remarkable security has a different denomination at remarketing. Nor does the rest of Jones disclose this feature of claim 13. Therefore, Jones does not anticipate claim 13. *See* MPEP § 2131 (“A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.”).

For at least these reasons, the § 102(e) rejection for claim 13, as well as for claims 14-19, 21-24, and 27-31, should be withdrawn.<sup>1</sup> For analogous reasons, independent claim 38 also is not anticipated by Jones.

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<sup>1</sup> The Office rejected claims 29-31 as being anticipated by Jones. Claims 29-31, however, depend from claim 26, which the Office conceded is not anticipated by Jones. *See* Office Action at ¶ 10, p. 6.

B. Claims 36, 37, and 40

In independent claims 36 and 40, the remarketable security is offered at remarketing without a previously available interest rate deferral option to the issuer. Neither Jones nor the two Jones provisional applications disclose this feature of independent claims 36 and 40. Therefore, the rejections should be withdrawn.

The Office Action cites paragraphs [0004] – [0006] and [0026] – [0027] of Jones, without any explanation or analysis, as disclosing the elements of claim 36. *See* Office Action at ¶ 7, p. 4. A review of these paragraphs, however, reveals that they do not disclose a unit where the remarketable security is offered at remarketing without a previously available interest rate deferral option to the issuer. Nor does the rest of Jones disclose this feature of claims 36 and 40. Therefore, Jones does not anticipate claims 36 and 40. Nor does it anticipate claim 37, which depends from claim 36.

**II. Section 103 Rejections**

A. Claim 20

Claim 20, which depends from claim 13, was rejected under 35 U.S.C. § 103(a) as being obvious in view of Jones and “The Journal of Finance” article. *See* Office Action at ¶ 9, p. 5. The rejection of claim 20 is premised on the Office Action’s conclusion that Jones anticipates claim 13. That conclusion is erroneous for the reasons set forth above. For at least this reason, the § 103 rejection of claim 20 should be withdrawn.

B. Claims 26, 32-35, and 39

Claims 26, 32-35, and 39 were rejected under 35 U.S.C. § 103(a) as being obvious in view of Jones and published U.S. patent application Pub. No. 2003/0233313 to Bartolucci. These claims include the feature that at remarketing, the remarketable security has a different coupon frequency that it had at issue. The Office Action acknowledges that Jones does not

disclose this feature. *See* Office Action at ¶ 10, p. 6. Therefore, the Office Action relies on Bartolucci, in particular paragraph [0018] thereof, as disclosing this feature. Paragraph [0018] of Bartolucci merely discloses using a spreadsheet application to calculate, among other things, the coupon frequency of a debt instrument. Bartolucci does not disclose anything about remarketable securities. Nor does it disclose a remarketable security where, at remarketing, the remarketable security has a different coupon frequency than it had at issue. Therefore, the Office Action is incorrect when it states that Bartolucci discloses this element of claims 26, 32-35, and 39. As a consequence, the § 103 rejections should be withdrawn for these claims.

### **CONCLUSION**

Applicants respectfully submit that all of the claims presented in the present application, as either amended or initially presented in this response, are in condition for allowance. Applicants' present Amendment should not in any way be taken as acquiescence to any of the specific assertions, statements, etc., presented in the Office Action not explicitly addressed herein. Applicants reserve the right to address specifically all such assertions and statements in subsequent responses.

Applicants do not concede the correctness of the Office Action's rejection with respect to any of the dependent claims discussed above. Accordingly, Applicants hereby reserve the right to make additional arguments as may be necessary to distinguish further the dependent claims from the cited references, taken alone or in combination, based on additional features contained in the dependent claims that were not discussed above. A detailed discussion of these differences is believed to be unnecessary at this time in view of the basic differences in the independent claims pointed out above.

Applicants have made a diligent effort to properly respond to the Office Action and believe that the claims are in condition for allowance. If the Examiner has any remaining concerns, the Examiner is invited to contact the undersigned at the telephone number set forth below so that such concerns may be expeditiously addressed.

Respectfully submitted,

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Mark G. Knedeisen  
Reg. No. 42,747

K&L GATES LLP  
Henry W. Oliver Building  
535 Smithfield Street  
Pittsburgh, Pennsylvania 15222

Ph. (412) 355-6342  
Fax (412) 355-6501  
mark.knedeisen@klgates.com